FINANCIAL NEWS

Stock Index up 1.0 to 121.5; gainers beat losers

By Don Jeffrey

NEW YORK — Despite signs of weakness in the economy, especially low first-quarter profits, the *Nation's Restaurant News* Food-Service Operators Stock Index rose 1.0 points in the week ended April 26 to close at 121.5, the third consecutive week of record closings.

Advancing issues virtually tied declining issues, 43 to 42, with 27 unchanged in price, on the full 112-stock listing.

The Dow Jones Industrial Average closed 8.62 points higher in the week, at 1,275.18, although business productivity was down 1.2% in March and first-quarter profits for the nation's largest corporations were lackluster.

Leading percentage price gainers of the week were Maverick Restaurants, up 75¢ to close at $3.25, and Taco Villa, up $1.50 to close at $6.50.

Acapulco Restaurants was the leading issue in volume surge, trading 354.3% higher than the previous 12-week average.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Acapulco Rests ___M	354.3	Grace W R ___N	149.0
Maverick Rest ___O	343.2	Luby's Cafe ___N	144.4
Ryans Fam Steak ___M	182.9	Jerrico Inc ___M	106.4
Taco Villa ___O	181.6	Winners Cp ___N	90.5
Chili's Inc ___M	175.2	Frisch's ___A	89.5

TOP TEN GAINERS

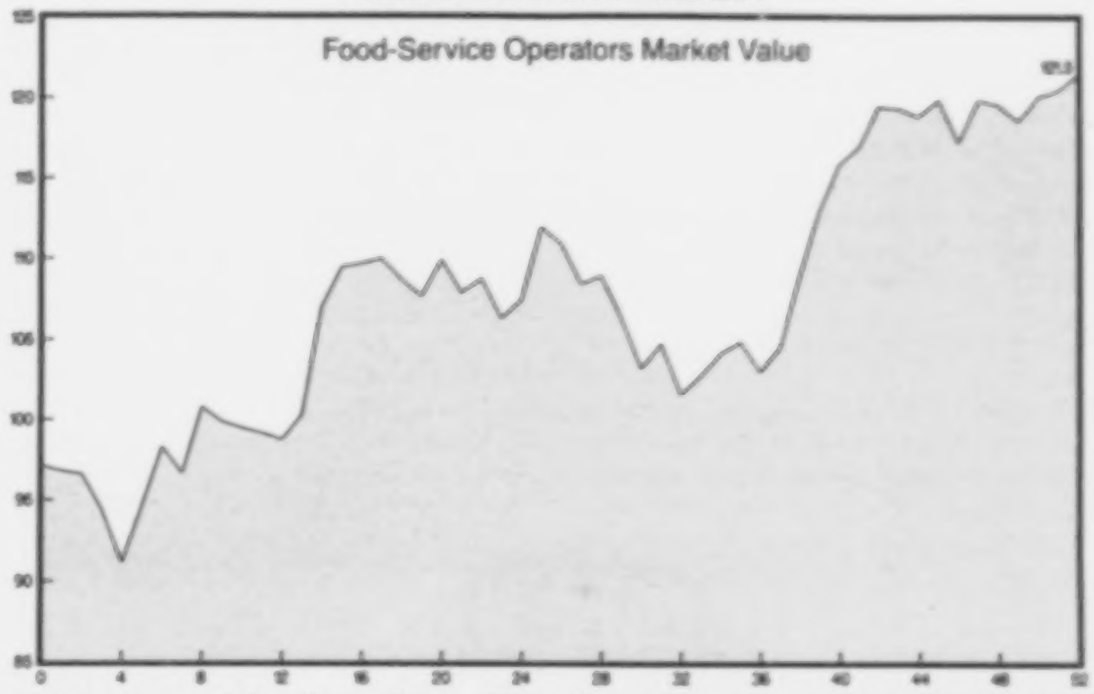
Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Maverick Rest ___O	30.0	Diversifoods ___M	9.1
Taco Villa ___O	30.0	1 Potato 2 ___O	8.3
A&M Food Svcs ___M	11.4	Jerrico Inc ___M	7.6
Beefsteak Char ___A	11.1	SIS Cp ___M	5.9
Po-Folks ___M	10.0	DiLites Of Amer ___M	5.6

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Kapok Cp ___A	- 20.8	Swensens Inc ___O	- 10.5
Peoples Rest ___M	- 16.7	Victoria Stations ___M	- 9.1
Capt Crab ___M	- 13.2	Good Taco ___M	- 9.1
Kelly-Johnston ___M	- 12.5	Fast Food Oper ___O	- 9.1
Assoc Hosts ___M	- 10.6	Primo Inc ___O	- 9.1

Company and Market	Stock Market: Price: 4-26-85 Close	Weekly Change: Amt.	Weekly Change: Pct.	Weekly Range: High	Weekly Range: Low	52-Week Range: High	52-Week Range: Low	Volume: Weekly Shares Traded: Total	Weekly Shares Traded: % Out	12-Week Avg. Vol.: As % Out	Volume Trend: Change	P/E Ratio	Indicated Dividend Rate: Amt.	Indicated Dividend Rate: Yld.	Latest Report: New Report	Latest Report: Period	Latest Report: Date Ended	Latest Quarter: Revenue: Amt.	Latest Quarter: Revenue: Chg.	Latest Quarter: Net Income: Amt.	Latest Quarter: Net Income: Chg.	Latest Quarter: E.P.S.: Amt.	Latest Quarter: E.P.S.: Chg.	Year-to-Date: Revenue: Amt.	Year-to-Date: Revenue: Chg.	Year-to-Date: Net Income: Amt.	Year-to-Date: Net Income: Chg.	Year-to-Date: E.P.S.: Amt.	Year-to-Date: E.P.S.: Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ___M	6.13	.63	11.4	6.75	5.38	7.50	3.50	859	2.41	1.56	54.5	19.1	.00	.0	—	fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.0
Acapulco Rests ___M	5.38	.25	4.9	5.50	5.00	5.38	3.50	1,060	4.27	.94	354.3	18.5	.00	.0	—	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
An Restaurants ___O	3.88	.00	.0	4.13	3.88	6.00	2.38	76	.33	.43	- 23.3	29.8	.00	.0	—	fiscal	01-85	4.5	4.7	.0	- 100.0	.01	- 85.7	18.1	19.9	.3	- 25.0	.13	- 51.9
Assoc Hosts ___M	12.63	- 1.50	- 10.6	13.88	12.50	17.13	10.88	731	1.65	2.30	- 28.3	15.2	.12	1.0	—	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char ___A	2.50	.25	11.1	2.50	2.25	3.75	1.75	146	.26	.64	- 59.4	NE	.00	.0	—	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Benihana Natl ___M	19.88	- .63	- 3.0	20.88	19.88	21.75	9.63	389	1.34	4.10	- 67.3	21.6	.00	.0	—	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.52	138.5
Bob Evans Farms ___M	20.50	.00	.0	20.75	20.25	20.50	14.75	930	.57	1.16	- 50.9	19.0	.30	1.5	—	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp ___M	.75	.00	.0	1.00	0.75	6.00	.63	43	.14	.27	- 48.1	NE	.00	.0		6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food ___M	12.63	.38	3.1	12.63	12.38	13.25	7.25	1,103	2.43	2.56	- 5.1	20.7	.16	1.3	—	9 mos.	11-84	13.6	32.0	.9	28.6	.19	18.8	38.6	27.4	2.3	43.8	.50	22.0
Capt Crab ___M	2.06	- .31	- 13.2	2.31	2.00	5.38	1.38	2,979	1.95	2.00	- 2.5	NE	.00	.0	—	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp ___N	9.88	.38	3.9	10.00	9.50	11.50	7.88	451	.58	.74	- 21.6	13.3	.07	.7	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's ___M	10.00	- .13	- 1.2	10.25	9.63	18.25	9.63	6,919	2.57	3.50	- 26.6	15.9	.00	.0	—	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc ___M	27.88	.63	2.3	28.63	27.25	28.88	12.75	3,045	6.77	2.46	175.2	41.0	.00	.0	—	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch ___N	18.13	- .13	- .7	18.38	17.75	19.25	11.38	4,338	1.15	1.66	- 30.7	15.6	.40	2.2		3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods ___N	21.63	- .13	- .6	21.88	21.25	23.00	10.00	521	.40	1.24	- 67.7	16.4	.16	.7	—	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev ___O	12.50	.00	.0	12.75	12.50	16.50	5.75	471	.91	1.47	- 38.1	16.2	.00a	.0	—	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts ___M	4.75	- .13	- 2.6	5.13	4.75	6.38	4.63	98	.28	.34	- 17.6	13.6	.08	1.7	—	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant ___M	5.00	- .38	- 7.0	5.25	5.00	13.50	4.50	396	.87	1.87	- 53.5	NE	.00	.0	—	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel ___M	13.75	.00	.0	14.00	13.25	23.50	11.75	197	.55	1.07	- 48.6	16.6	.14	1.0	—	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc ___O	5.25	- .25	- 4.5	6.00	5.25	5.75	2.75	56	.32	.64	- 50.0	40.4	.00	.0	—	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods ___M	10.50	.88	9.1	10.88	9.50	16.75	8.00	27,216	8.10	7.33	10.5	19.4	.34	3.2	—	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DiLites Of Amer ___M	14.13	.75	5.6	14.38	13.13	15.50	10.88	1,242	2.46	3.26	- 24.5	NM	.00	.0	—	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts ___M	20.25	.81	4.2	20.25	19.25	20.25	13.00	778	1.09	2.37	- 54.0	15.6	.24	1.2	—	3 mos.	01-85	140.7	589.7	2.6	13.0	.36	16.1	140.7	589.7	2.6	13.0	.36	16.1
El Chico ___M	10.25	.13	1.2	10.38	9.75	10.88	7.25	564	1.21	1.72	- 29.7	13.1	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest ___N	15.00	- .13	- .8	15.13	14.25	15.38	9.63	394	.36	.75	- 52.0	14.7	.00	.0		3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Family Showtime ___O	.38	.00	.0	0.75	0.38	1.75	.38	1	.00	.06	-100.0	6.3	.00	.0		3 mos.	09-84	3.8	375.0	(.1)	NE	(.04)	NE	3.8	375.0	(.1)	NE	(.04)	NE
Fast Food Oper ___O	.63	- .06	- 9.1	0.75	0.63	1.63	.63	255	.43	.52	- 17.3	8.9	.00	.0		9 mos.	09-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes ___M	7.00	.25	3.7	7.13	6.75	9.13	5.13	1,109	1.59	2.84	- 44.0	NE	.00	.0	—	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Folls Rest ___O	2.50	.00	.0	3.50	2.50	7.38	2.50	0	.00	.29	-100.0	NE	.00	.0	—	fiscal	12-84	1.2	100.0	(.1)	NC	(.06)	NC	5.0	100.0	(.4)	NC	(.28)	- 100.0
Fresher Cooker ___O	2.00	.00	.0	2.50	2.00	6.75	1.50	102	.46	.57	- 31.3	NE	.00	.0	—	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's ___A	20.38	.00	.0	20.38	20.25	20.88	12.38	160	.36	.19	89.5	17.3	.22	1.1	—	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc ___M	8.38	- .75	- 8.2	8.75	8.00	15.25	8.00	2,845	4.37	4.19	4.3	NC	.00	.0		fiscal	12-84	7.4	196.0	.0	NC	.00	- 100.0	23.7	137.0	.0	- 100.0	.00	- 100.0
Garcias Scot ___M	2.06	- .13	- 5.7	2.25	2.06	6.38	1.63	321	.54	1.48	- 63.5	NE	.00	.0	—	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco ___M	.63	- .06	- 9.1	0.69	0.63	3.63	.25	222	.75	2.62	- 71.4	NE	.00	.0	—	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hasbrg Hamlet ___O	14.25	.00	.0	15.00	14.25	14.50	9.75	4	.06	.18	- 66.7	7.7	.00	.0	—	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger ___M	5.50	.25	4.8	5.50	5.13	7.00	3.63	166	.58	2.02	- 71.3	28.9	.00	.0	—	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen ___O	43.00	.50	1.2	45.00	42.50	50.50	38.00	28	.14	.27	- 48.1	11.8	.00	.0	—	3 mos.	02-85	27.2	- 2.2	.8	14.3	.38	18.8	27.2	- 2.2	.8	14.3	.38	18.8
Intl King Tab ___M	19.00	- 1.50	- 7.3	20.50	19.00	24.75	13.41	1,680	5.89	3.64	61.8	14.2	.00a	.0	—	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest ___M	15.25	.50	3.4	15.50	14.88	15.50	7.34	1,587	4.53	4.66	- 2.8	19.1	.16	1.0		6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc ___M	19.50	1.38	7.6	19.63	17.88	19.50	13.00	11,719	7.43	3.60	106.4	14.1	.12	.6	—	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.86	15.8
Kapok Cp ___A	2.38	- .63	- 20.8	3.13	2.38	3.88	1.13	191	.85	1.04	- 18.3	3.7	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl ___M	17.75	- .13	- .7	18.00	17.63	29.63	13.50	600	.85	1.59	- 46.5	10.6	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston ___M	.44	- .06	- 12.5	0.50	0.38	7.00	.38	3,055	3.58	3.11	15.1	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe ___N	27.63	.13	.5	27.88	26.75	32.00	23.63	1,342	1.10	.45	144.4	18.2	.54	2.0	—	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp ___M	17.13	.13	.7	17.13	16.75	17.13	11.88	85	.17	.31	- 45.2	11.1	.28	1.6	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp ___N	85.38	.38	.4	86.00	84.50	87.75	60.00	1,383	.54	.66	- 18.2	17.0	.54	.6		fiscal	12-84	1122.2	30.1	39.3	62.4	1.47	70.9	3524.9	19.5	135.3	24.8	5.01	28.5
Maverick Rest ___O	3.25	.75	30.0	3.38	2.50	6.25	2.25	814	1.84	.37	343.2	40.6	.00	.0	—	fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max Erma's ___O	3.25	.00	.0	3.75	3.25	5.88	2.50	27	.15	.77	- 80.5	NE	.00	.0	—	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp ___N	62.50	1.63	2.7	63.38	60.50	63.38	40.84	6,809	.77	1.02	- 24.5	14.2	.82	1.3	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures ___M	11.00	- .25	- 2.2	11.25	11.00	12.25	9.63	72	.15	.56	- 73.2	16.2	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc ___M	19.88	.50	2.6	19.88	19.38	19.88	13.25	1,713	1.29	1.70	- 24.1	13.3	.48	2.4	—	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak ___O	2.75	.00	.0	2.88	2.75	3.13	1.13	236	.49	1.12	- 56.3	NE	.00	.0	—	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express ___O	1.00	.00	.0	1.25	1.00	2.50	1.00	276	1.23	.79	55.7	NE	.00	.0	—	fiscal	01-85	.3	200.0	(.3)	NE	(.15)	NE	1.8	66.7	(.9)	NE	(.40)	NE
Nathans ___O	3.88	.13	3.3	4.13	3.75	4.50	1.78	312	1.40	1.09	28.4	15.5	.00a	.0	—	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza ___M	9.00	- .25	- 2.7	9.25	9.00	9.75	7.50	195	.35	.20	75.0	10.0	.00	.0	—	9 mos.	12-84	8.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc ___M	5.13	- .38	- 6.8	5.50	5.13	10.13	4.75	498	1.12	4.93	- 77.3	NE	.00	.0	—	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
Noble Roman ___O	16.75	.00	.0	17.25	16.75	17.00	11.75	7	.12	.78	- 84.6	27.0	.00	.0		fiscal	12-84	4.4	51.7	.0	- 100.0	.06	- 60.0	17.8	53.4	.1	- 66.7	.24	- 61.3
1 Potato 2 ___O	1.63	.13	8.3	2.00	1.50	12.25	1.25	36	.16	.95	- 83.2	32.5	.00	.0	—	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC
Old Fashion Fd ___M	5.00	.00	.0	5.00	4.63	6.25	4.00	74	.53	.32	65.6	10.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet ___M	7.13	.00	.0	7.25	6.50	8.25	6.00	2,398	6.45	6.18	4.4	12.7	.13	1.8	—	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest ___M	.31	- .06	- 16.7	0.38	0.31	2.88	.25	787	.91	3.55	- 74.4	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf ___M	20.50	.00	.0	20.63	20.38	24.25	16.50	636	1.05	1.79	- 41.3	13.0	.60	2.9		9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4

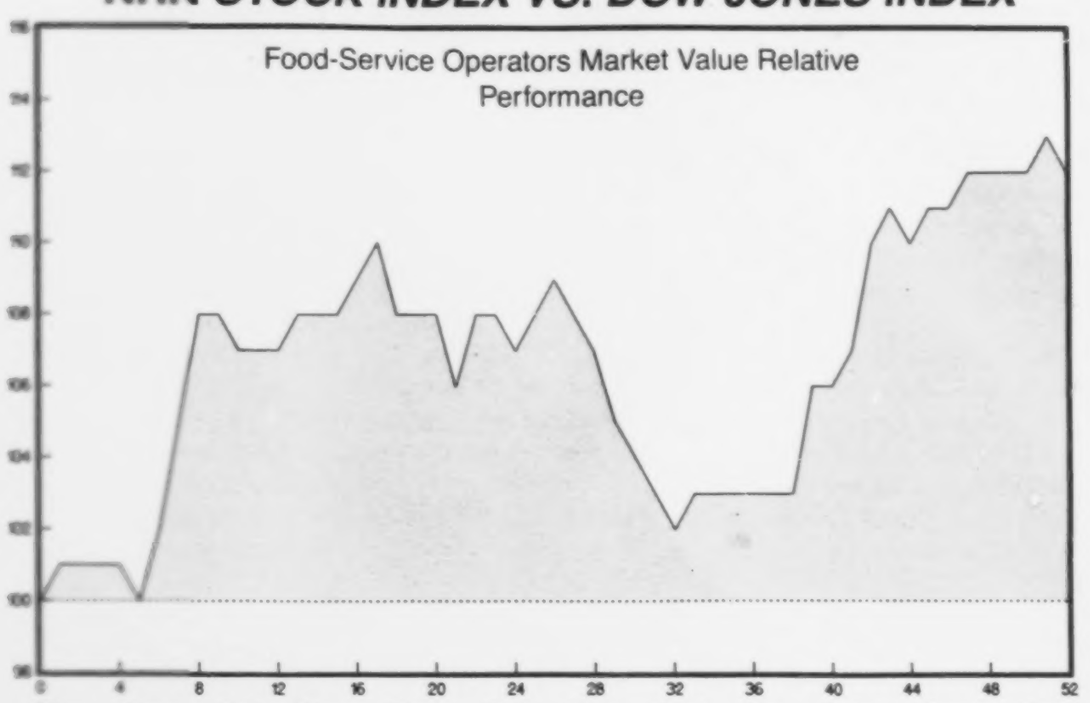
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



Stock Market

Company and Market	4-26-85 Close	Price: Weekly Change Amt.	Price: Weekly Change Pct.	Price: Weekly Range High	Price: Weekly Range Low	Price: 52-Week Range High	Price: 52-Week Range Low	Volume: Weekly Shares Traded Total	Volume: Weekly Shares Traded % Out	Volume: 12-Week Avg. Vol. As % Out	Volume: Volume Trend Change	P/E Ratio	Indicated Dvd. Rate Amt.	Indicated Dvd. Rate Yld.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%
Pizza Inn A	8.25	- .63	- 7.0	8.88	8.13	12.75	6.88	139	.46	1.10	- 58.2	15.9	.08	1.0
Po-Folks M	11.00	1.00	10.0	11.13	9.88	16.63	8.75	329	.74	.87	- 14.9	15.3	.00	.0
Ponderosa Sys N	12.25	- .50	- 3.9	13.13	12.25	22.88	11.50	1,074	1.12	2.71	- 58.7	7.2	.40	3.3
Primo Inc O	2.50	- .25	- 9.1	2.75	2.50	4.63	2.38	382	1.13	.84	34.5	NE	.00	.0
RAX Restaurants M	9.50	.25	2.7	9.50	9.25	16.38	8.00	435	.64	.78	- 17.9	23.2	.00	.0
Rest Assoc A	8.13	.00	.0	8.13	7.75	8.88	5.38	166	.59	.72	- 18.1	14.8	.00	.0
Restaurant Sys M	14.00	.25	1.8	14.00	13.50	16.50	9.00	345	1.49	1.34	11.2	15.7	.00	.0
Ritzie G D M	2.88	.13	4.5	3.00	2.75	7.25	1.75	178	.34	.85	- 60.0	NE	.00	.0
Rusty Pelican M	16.25	.25	1.6	16.50	16.00	18.25	11.00	97	.34	1.06	- 67.9	21.7	.00	.0
Ryans Fam Steak M	16.50	- .25	- 1.5	16.75	16.00	17.75	11.25	2,673	4.13	1.46	182.9	32.4	.00	.0
Saga Corp N	28.50	.00	.0	29.50	28.13	35.50	27.00	1,316	1.01	1.65	- 38.8	11.2	.52	1.8
Sandwich Chef M	7.00	- .50	- 6.7	7.50	7.00	9.00	6.75	67	.70	.90	- 22.2	11.5	.00	.0
Sea Galley M	8.88	.00	.0	9.00	8.75	11.00	6.50	843	2.31	5.89	- 60.8	4.6	.00	.0
Shoney's Inc M	30.13	1.13	3.9	30.25	29.25	30.13	16.22	1,437	.51	1.45	- 64.8	26.4	.15	.5
Shoney's South M	14.00	.00	.0	14.00	13.63	16.59	11.00	531	.95	.98	- 3.1	11.2	.00	.0
SIS Cp M	4.50	.25	5.9	4.50	4.50	7.25	3.25	42	.27	.50	- 46.0	NE	.00	.0
Sizzler Rest Intl M	20.00	.50	2.6	20.50	20.00	20.50	9.75	709	1.03	.97	6.2	14.4	.00	.0
Skippers M	10.38	- .13	- 1.2	10.38	9.88	12.50	8.00	368	1.35	1.88	- 28.2	11.2	.06	.6
So Hospitality M	5.63	.13	2.3	5.75	5.50	5.88	3.75	832	1.67	4.41	- 62.1	16.1	.00	.0
Stuff Yer Face O	1.00	- .03	- 2.9	1.09	1.00	1.44	.75	670	.44	.78	- 43.6	NM	.00	.0
Swensens Inc O	2.13	- .25	- 10.5	2.38	2.13	3.75	1.88	117	.36	.72	- 50.0	NE	.00	.0
Taco Villa O	6.50	1.50	30.0	7.25	5.75	7.75	4.75	419	1.07	.38	181.6	21.7	.00	.0
Taco Viva M	6.50	.13	2.0	6.50	6.38	7.50	4.66	47	.14	1.22	- 88.5	19.1	.00	.0
TGI Friday's N	11.50	.00	.0	11.75	11.13	13.13	7.88	390	.34	.80	- 57.5	17.7	.00	.0
TGIF Texas O	2.25	.00	.0	2.75	2.25	3.75	2.25	2	.01	.13	- 92.3	NE	.00	.0
Trasworld N	33.13	.00	.0	33.63	32.38	37.63	24.50	8,087	2.47	2.43	1.6	10.5	.40	1.2
USACafes M	5.13	.25	5.1	5.25	4.63	5.75	2.75	2,923	4.65	4.18	11.2	12.8	.28	5.5
Vicorp Restaurants M	24.88	.00	.0	25.63	24.75	26.88	13.25	1,575	2.37	4.80	- 50.6	18.7	.12	.5
Victoria Stations M	3.75	- .38	- 9.1	4.00	3.38	7.38	2.13	740	2.09	3.67	- 43.1	NE	.00	.0
Wendys Intl N	16.75	.13	.8	17.25	16.75	17.75	10.69	9,544	1.30	1.94	- 33.0	17.8	.21	1.3
Wstn Steer O	9.00	- .50	- 5.3	10.50	9.00	12.00	9.00	33	.27	.44	- 38.6	15.8	.20	2.2
Winners Cp N	7.88	- .50	- 6.0	8.50	6.88	13.38	5.13	1,631	3.62	1.90	90.5	21.3	.00	.0
Hotels, Motels, and Casinos														
Brock Hotel Cp N	2.75	- .25	- 8.3	2.88	2.63	5.63	2.63	985	.73	.78	- 6.4	NE	.10	3.6
Hilton Hotels N	62.13	1.00	1.5	69.75	66.13	73.50	45.50	5,418	2.19	2.34	- 6.4	14.9	1.80	2.6
Holiday Inns N	53.88	.75	1.4	54.88	52.63	54.88	35.25	4,199	1.20	2.11	- 43.1	15.0	1.00	1.9
Prime Mtr Inn N	27.63	.50	1.8	28.50	27.25	28.50	13.50	1,795	.93	.94	- 1.1	26.8	.09	.3
Ramada Inns N	7.63	- .38	- 4.7	8.00	7.63	8.25	5.13	5,637	1.52	2.05	- 27.3	58.7	.00	.0
Servico Inc M	20.00	.50	2.6	20.00	19.00	22.28	13.63	96	.28	.41	- 31.7	11.1	.00a	.0
Sonesta Intl O	24.00	.00	.0	25.50	24.00	27.00	18.00	2	.01	.09	- 88.9	7.0	.40	1.7
Other Companies with Food-Service Operations														
Allegheny Bev M	20.00	- .25	- 1.2	20.13	19.25	22.63	13.50	1,079	1.80	2.85	- 36.8	12.0	.40	2.0
Ch Full O Nut N	8.13	- .63	- 7.1	8.63	8.13	13.47	7.25	282	.59	1.31	- 55.0	NM	.48	5.9
Disney, Walt N	78.13	- 1.88	- 2.3	79.75	78.00	81.13	45.25	3,124	.93	1.50	- 38.0	64.0	1.20	1.5
Esteban Foods O	2.25	.00	.0	2.38	2.25	3.13	1.13	104	.44	.86	- 48.8	25.0	.00	.0
Gen Mills N	53.88	- 2.25	- 4.0	56.38	53.00	60.63	47.75	13,043	2.94	1.62	81.5	31.9	2.24	4.2
Grace W R N	39.63	- .75	- 1.9	40.75	39.50	44.50	36.50	11,825	2.44	.98	149.0	10.4	2.80	7.1
Horn & Hardart A	10.38	.13	1.2	10.63	10.00	18.22	8.63	1,335	1.08	1.19	- 9.2	14.6	.00a	.0
Ogden Corp N	30.38	- .63	- 2.0	31.88	30.13	31.88	24.13	1,284	.68	.80	- 15.0	14.8	1.80	5.9
PepsiCo Inc N	53.25	1.13	2.2	53.75	50.50	55.25	39.25	31,141	3.32	2.05	62.0	14.5	1.68	3.2
Pillsbury Co N	47.63	.88	1.9	48.00	46.63	49.50	34.50	1,806	.42	1.01	- 58.4	10.8	1.56	3.3
Vie de France M	11.63	- .13	- 1.1	11.88	11.50	15.25	10.50	174	.16	.93	- 82.8	19.1	.23	2.0

Financial Update

Company and Market	Latest Report: New Report	Latest Report: Period	Latest Report: Date Ended	Latest Quarter: Revenue Amt.	Latest Quarter: Revenue Chg.	Latest Quarter: Net Income Amt.	Latest Quarter: Net Income Chg.	Latest Quarter: E.P.S. Amt.	Latest Quarter: E.P.S. Chg.	Year-to-Date: Revenue Amt.	Year-to-Date: Revenue Chg.	Year-to-Date: Net Income Amt.	Year-to-Date: Net Income Chg.	Year-to-Date: E.P.S. Amt.	Year-to-Date: E.P.S. Chg.
-	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	—	fiscal	12-84	50.0	33.3	(.9)	- 100.0	(.29)	- 100.0	185.6	24.6	1.6	- 55.6	.52	- 54.8
Po-Folks M	—	3 mos.	12-84	30.3	30.0	.6	- 25.0	.15	- 16.7	30.3	30.0	.6	- 25.0	.15	- 16.7
Ponderosa Sys N	—	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc O	—	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
RAX Restaurants M	—	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	—	fiscal	12-84	34.6	- 2.8	.5	- 44.4	.20	- 47.4	132.4	- 6.2	1.5	- 31.8	.55	- 37.5
Restaurant Sys M	—	fiscal	12-84	8.0	6.7	.5	25.0	.21	23.5	34.7	17.2	2.1	50.0	.89	23.6
Ritzie G D M	—	fiscal	12-84	3.3	37.5	(2.7)	NC	(.52)	- 100.0	13.9	63.5	(4.3)	NE	(.83)	NE
Rusty Pelican M	—	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak M	—	fiscal	12-84	NC	NC	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp N	—	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef M	—	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley M	—	fiscal	12-84	17.9	- 1.6	2.4	NE	.59	- 71.5	66.2	- 9.3	7.7	NE	1.94	- 9.8
Shoney's Inc M	—	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South M	—	fiscal	12-84	41.3	25.2	1.5	50.0	.25	38.9	168.6	19.1	7.3	49.0	1.25	22.5
SIS Cp M	—	fiscal	12-84	2.3	53.3	(.1)	NC	(.10)	- 100.0	7.9	75.6	(.2)	- 100.0	(.15)	- 100.0
Sizzler Rest Intl M	—	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers M	—	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality M	—	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face O	—	fiscal	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc O	—	fiscal	12-84	NC	NC	(2.0)	NE	(.48)	NE	11.4	- 16.8	(1.8)	NE	(.43)	NE
Taco Villa O	—	fiscal	12-84	7.1	10.9	.3	.0	.07	- 12.5	28.6	12.2	1.2	9.1	.30	- 3.2
Taco Viva M	—	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	—	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas O	—	9 mos.	09-84	2.8	27.3	(.1)	NC	(.07)	- 100.0	8.3	25.8	(.3)	NC	(.20)	- 100.0
Trasworld N	—	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes M	—	3 mos.	12-84	4.6	43.8	.4	33.3	.07	40.0	4.6	43.8	.4	33.3	.07	40.0
Vicorp Restaurants M	—	3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations M	—	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	—	fiscal	12-84	244.2	24.1	17.6	18.9	.24	20.0	939.1	31.3	68.7	24.5	.94	23.7
Wstn Steer O	—	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp N	—	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos															
Brock Hotel Cp N	—	9 mos.	09-84	61.0	- 24.8	(24.6)	NE	(1.86)	NE	202.4	- 14.0	(29.5)	NE	(2.24)	NE
Hilton Hotels N	—	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns N	—	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn N	—	6 mos.	12-84	67.8	321.1	5.5	37.5	.28	33.3	115.7	256.0	11.3	31.4	.58	28.9
Ramada Inns N	—	fiscal	12-84	151.7	13.0	(2.1)	- 100.0	(.05)	- 100.0	598.1	4.6	4.7	11.9	.13	.0
Servico Inc M	—	fiscal	12-84	42.8	8.4	.1	- 90.9	.00	- 100.0	181.9	20.5	6.3	70.3	1.80	66.7
Sonesta Intl O	—	fiscal	12-84	17.7	- 1.1	5.9	NE	3.83	NE	74.9	2.0	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations															
Allegheny Bev M	—	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut N	—	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt N	—	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods O	—	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	—	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	—	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart A	—	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp N	—	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc N	—	fiscal	12-84	2272.8	- 4.4	104.7	35.6	1.10	34.1	7698.7	7.4	348.6	22.7	3.67	21.9
Pillsbury Co N	—	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France M	—	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FINANCIAL NEWS

SPOTLIGHT ON FINANCE

Operators' tax-credit gravy train may come to a halt

By Rick Telberg

Restaurateurs have been riding a gravy train of Federal tax credits that may soon come to a screeching halt.

The combination of the Investment Tax Credit—which allows operators to deduct 10% of their outlay for building or improving a restaurant, in addition to accelerated depreciation—and the Targeted Jobs Tax Credit (T.J.T.C.)—which can chop wage expense for eligible employees by half—has allowed some operators to all but wipe out their annual tax bill.

But because few restaurateurs can swear that the twin programs coax them into doing something they wouldn't do otherwise, the credits have come under fire from Washington deficit-cutters. A handout to business, opponents say.

The tax credits are especially important to small and growing companies like Po Folks Inc. in Nashville. "We thrive on them," said Po Folks tax manager Wendell Gannaway. "It would hurt us terribly if they were abolished."

Last year Po Folks took about $760,000 in credits from the two programs, boosting after-tax profit by 23%. In 1983, Po Folks' $540,000 deduction inflated its net income by 43%.

At other companies, like T.G.I. Friday's Inc. of Dallas, the tax credits can mean the difference between reporting reduced earnings from one year to the next or simply level earnings.

If T.G.I. Friday's hadn't had $630,000 in credits, mostly from investment, to fall back on, its 65¢ earnings per share would have fallen to about 62¢.

Few close observers expect both programs to be killed outright. But all seem to agree that both cannot survive without cutbacks.

Whatever the political outcome, it is clear from a spot check of 12 more-or-less-randomly surveyed companies that the tax credits have been immensely important to the chain restaurant industry.

Last year the typical company used the credits to boost after-tax profit by about 12.2%. That was up from 11.5% of net income in 1983 and 9.5% in 1982.

The stark rise parallels one of the most frenetic periods of expansion in the industry and suggests the tax credits may have been at least partly to blame for the overcapacity that many in the business now complain of.

For all their importance, however, the two tax credits engender little sincere support among restaurant executives.

One admitted privately that the jobs program has no effect on hiring decisions because applicants are screened as "chronically unemployable" only after they've been signed on. Yet 25% of this company's workers qualify.

J. David Bamberger, the iconoclastic chairman of Church's Fried Chicken, recently blasted the jobs program: "This industry should be ashamed at the use of T.J.T.C. It wasn't designed to help margins. The free enterprise system deserves better."

Under investment tax credits, even a walk-in cooler or a purely decorative mansard roof qualifies for a deduction.

Richard Pyle, an analyst at Piper, Jaffray & Hopwood brokerage in Minneapolis, sees irony in the tax credits. The jobs credit, Pyle said, "is a way for the Government to reduce employers' wage expenses without reducing the minimum wage."

* * *

STOCK-PICKERS' PICKS: After surveying the cafeteria sector, R. Thomas Sour of Gruntal & Co. in New York picks Piccadilly (recent price: $22). He'd even sell Morrison ($19) to pay for the Piccadilly purchase, and picks Piccadilly over Luby's ($28).

Piccadilly's 2.7% dividend beats both Morrison's 2.5% rate and Luby's 1.9%, Sour notes. Plus, Morrison's slower growth outlook could undercut its stock price and Luby's doesn't have as much room to grow as Piccadilly does, Sour says.

March 'real' sales off 0.3%, show gain over February

WASHINGTON — Sales trends in the food-service industry, after being adjusted for inflation, slowed their slide in March, new Government data show.

"Real" sales sank 0.3% in March from the year-ago period, a shallower drop than the 1.2% price-adjusted decline in February.

March's sales data were adjusted after the U.S. Labor Department reported its Consumer Price Index for Food Away from Home, the Government barometer of menu price changes in restaurants, held steady at a 3.9% inflation rate in March.

March's inflation rate matched January's and February's. The menu price inflation rate in 1984 was 4.2%.

Price inflation in the Food at Home category ran at a 1.8% rate in March, up fractionally from February's 1.7%, but still below January's 2% and 1984's 3.6% rates. Analysts report they are concerned about future eating-out sales trends when the difference in cost between eating out and eating at home widens.

The Labor Department's inflation report for March followed U.S. Census Bureau surveys for the first three months of the year which showed sales in the food-service industry slowed significantly.

The Census Bureau has estimated that March sales were 3.6% above the level of March 1984, February's annual growth rate was 2.7% and January's was 4.2%. Sales grew 8.2% in 1984 from 1983, the Census Bureau has said.

After discounting the Census Bureau's sales figures with the Labor Department's inflation estimates, it appeared that the food-service industry's growth rate fell to a negative 0.3% in March, following a negative 1.2% in February and a barely positive 0.3% in January. Price-adjusted sales growth grew 4.2% from 1983-84.

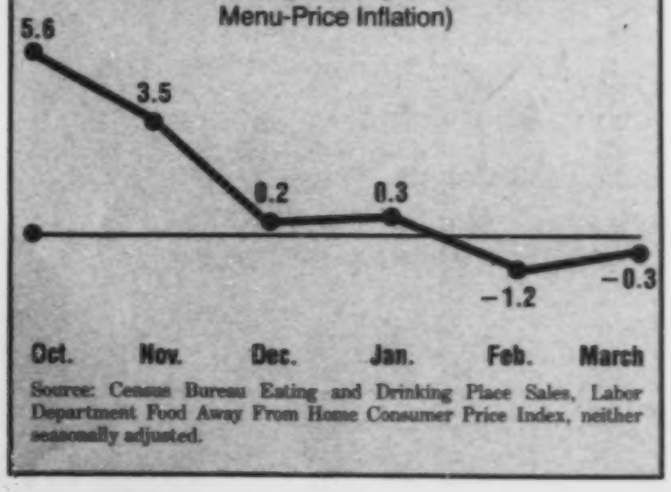
In a separate report, the Labor Department said its Producer Price Index for Finished Consumer Foods, which helps gauge restaurant food cost changes, declined in March after minor rises in January and February.

The index was 0.9% lower in March than in March 1984. The year-to-year change in February was a 0.3% gain, following a 0.7% rise in January. In 1984 the index rose 3.8% from 1983.

Eggs led the list of commodities that fell in price from the previous year, down 28.9%. Fresh and dried vegetables followed, with a 20.9% decline.

'REAL' GROWTH SLIDE SLOWS

(Year-to-Year Percentage Change, Sales Growth Minus Menu-Price Inflation)



Source: Census Bureau Eating and Drinking Place Sales, Labor Department Food Away From Home Consumer Price Index, neither seasonally adjusted.

McDonald's earns $84M in 1st quarter

OAK BROOK, Ill. — McDonald's said net profit for the first quarter ended March 31 rose 12% from the year-ago quarter, to $84.3 million. Revenue rose 7%, to $808.6 million.

Systemwide sales gained 7% from the prior-year quarter, to $2.34 billion, as 548 new restaurants were added during the year, bringing the total to 8,367.

"Sales during the quarter were affected by severe weather conditions in January and February in North America and Europe," chairman Fred L. Turner said.

About $12.7 million of the quarter's profit came from gains on real estate sales, up from $7.9 million in the year-ago quarter.

Sales at company-owned restaurants rose 4%, to $589.3 million, while expenses for company-owned units rose 5%, to $495.8 million.

The strong U.S. dollar held international sales to less than a 1% gain, to $452.7 million. If currency exchange rates had held steady from the year-ago quarter, McDonald's said, its foreign operations would have posted a 15% advance.

There were 1,730 foreign McDonald's outlets at quarter's end, up 187 from a year ago.

NRN FINANCIAL DIGEST

Church's posts gain in 1st qtr.

SAN ANTONIO — Church's Fried Chicken said net profit in the first quarter ended March 24 rose 17% from the prior-year quarter, to $7.9 million, on an 8% revenue gain, to $116.3 million. Church's is a 1,514-unit fried chicken chain.

Jerrico 3rd-quarter net off 5%

LEXINGTON, Ky. — Jerrico said its net profit in the third quarter ended March 31 fell 5%, to $4.3 million, from the year-ago period. Revenue slipped 2%, to $123.5 million. Officials blamed inclement weather.

Nine-month earnings rose 8%, to $14.7 million, on a 3% revenue gain. Jerrico operates the 1,360-unit Long John Silver's Seafood Shoppes chain.

Esteban chairman to buy units

MINNEAPOLIS — Esteban Foods said it has signed an agreement to sell its 10-unit Mexican dinnerhouse chain to Esteban chairman and chief executive R. Stephen Tanner for $965,000. The company said it had received no better offers.

The price would be paid by the assumption of debt, the forgiveness of loans from Tanner to the company and in cash. The company has said it wants to concentrate on its food-processing operations.

Transworld net falls 16%

NEW YORK — Transworld Corp.'s net profit for the first quarter ended March 31 fell 16% from the year-ago period, to $16.2 million, as revenue rose 4%, to $479.8 million, the company said.

Transworld said bad weather slowed gains in its franchised Hardee's and company-owned Quincy's restaurants; a strong dollar hurt Hilton International's results and expenses mounted at Century 21 real estate brokerage. The company also operates Canteen, a contract feeder.

Piccadilly net profit falls 42%

BATON ROUGE, La. — Blaming bad winter weather, Piccadilly said net profit in the third quarter ended March 31 fell 42% from the same quarter a year before, to $1.25 million.

Nine-month net gained 18% to $7 million on an 8% revenue advance to $138.8 million. Piccadilly operates 98 cafeterias.

Chili's says net profit doubled

DALLAS — Chili's officials said they expect to report that net profit in the March-ending third quarter doubled to about $861,000 from the 1984 quarter while revenue climbed 60%, to $17 million.

The Chicago market: U.S. culinary capital —Focus/F3-26

Petrossian: Views on caviar etiquette —Page 12

Sturgeon popularity also has a dark side —Page 77

Nation's **Restaurant News**®

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Chains challenge local zoning rules

Fast feeders tailor units to communities

By David Zuckerman

Americans love fast food, as proven by the record $44.8 billion spent last year on burgers, chicken, pizza, tacos and a full spectrum of other items. But they do not necessarily love fast-food restaurants.

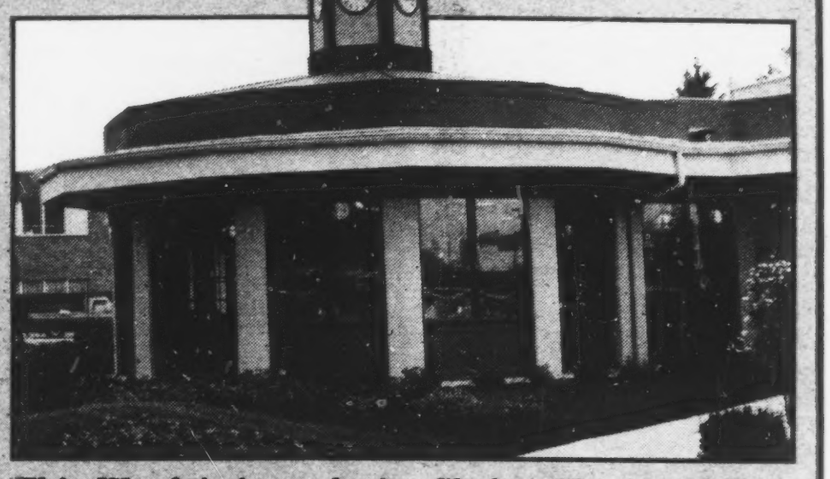
In fact, an increasing number of communities across the nation are stepping up resistance to unit proliferation within their boundaries and are creating sticky problems for the major restaurant chains.

Tighter zoning ordinances and local pressure groups have slapped restrictions on drive-thru windows, signage and building designs and, on occasion, have prevented new construction entirely.

Here's what some major chains are doing to fight back:

- Wendy's spent 40% more on initial land and construction costs for its outlet in exclusive Shaker Heights, Ohio.
- Hardee's uses a flexible building-design package that can be changed to meet various local requirements.

(See CHAINS, page 179)



This Wendy's in exclusive Shaker Heights, Ohio, cost 40% more than a standard unit.

Goodall forges buyout

Jack in the Box sells for $500M

ST. LOUIS — Ralston Purina has signed a definitive agreement to sell its Foodmaker restaurant subsidiary to Foodmaker president and chief executive Jack Goodall, other top executives and an investment partnership. The selling price is $500 million.

Foodmaker operates the 800-unit Jack in the Box fast-food chain, which reportedly has been on the block since Ralston Purina sold its dinner-house division last year to Vicorp Restaurants. With Foodmaker sale, Ralston Purina will bow out of food service.

Goodall

The Foodmaker executives teamed up with Forstmann Little & Co., a New York-based investment partnership, in the bid for the company.

Goodall led a successful

(See GOODALL, page 179)

Le Dôme owners to open downscale café

By Richard Martin

WEST HOLLYWOOD, Calif. — After nimbly steering their glamorous Sunset Strip restaurant-bistro through numerous menu-and-price strategies over the last seven years, Le Dôme co-owners Eddy Kerkhofs and Michel Yhuelo have improvised once again—this time with a new concept aimed at a more casual crowd of budget-minded gastronomes.

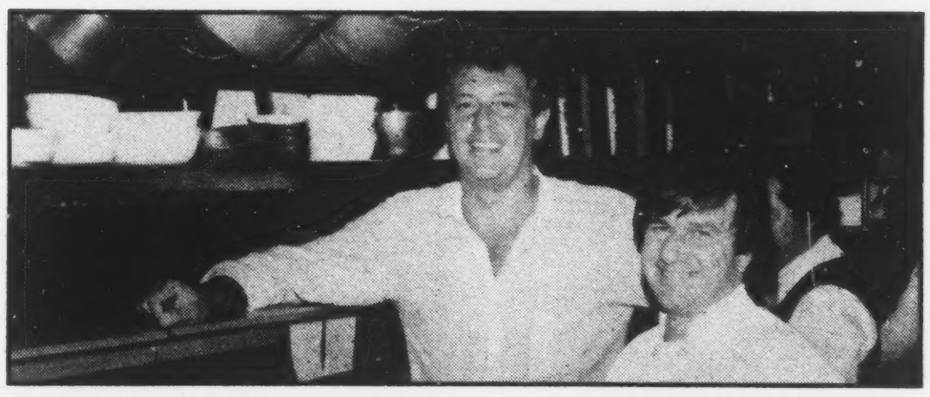
Café Colorado, offering Belgian and French country dishes on Kerkhofs' downscale menu featuring a "Spanek method" vertically roasted chicken, is due to open this month next door to the high-grossing Cutters restaurant in Santa Monica's Colorado Place office-dining complex.

With Café Colorado, the partners further the culinary evolution that over the years moved the elegant Le Dôme from brasserie fare to a classical repertoire to nouvelle cuisine—and, more recently, to a popular mixed-bag menu of mostly European country dishes, half of them changed every two weeks.

Again demonstrating the adaptive instincts that enabled Le Dôme to survive the flurry of food trends that has transformed dining out in Los Angeles, Kerkhofs and Yhuelo have fashioned for their new café a seductively simple menu geared toward an expanding market of discerning but less affluent "foodies."

"What we're trying to do is give a full plate of good, sim-

(See CAFE, page 14)



Eddy Kerkhofs (left), co-owner of Le Dôme and Café Colorado, with Le Dôme chef Jean Claude Bourlier.

INSIDE NRN

'SECOND WAVE' FAST FOOD
Trio launches chain of mall-based mini-stores 41

PANCHO'S UPS PACE
Mexican buffet chain to double expansion rate 72

INDEX

Advertising & Promotions	17	Food Trends	12
Calendar of Events	124	Manufacturer News	152
Classified	169-176	Opinion	9, 11
Financial News	180-182	Washington News	53-60

NEWSPAPER

'85 NRA Show events listing —Page 120

McFaddin eyes Studebaker's

Sargent, Cordray zero in on purchase agreement

By Howard Riell

HOUSTON — McFaddin Ventures, one of the largest operators of singles-oriented "atmosphere" clubs, is reportedly close to striking a deal to purchase Dallas-based Studebaker's of America, a 17-unit chain of nostalgia-theme clubs, according to a source close to the negotiations.

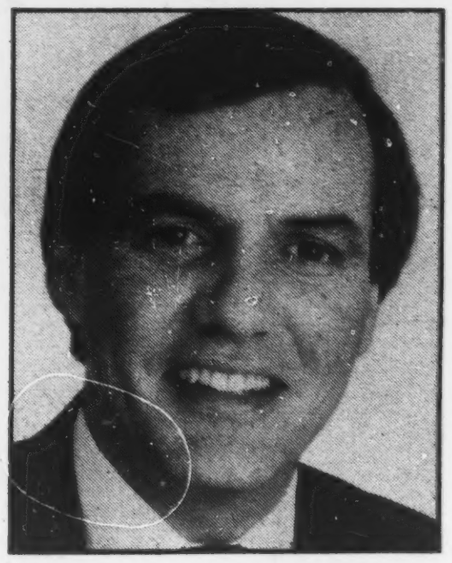
J. Stuart Sargent, Studebaker's president, and Jean Cordray, McFaddin's coordinator of investor and stockholder relations, confirmed that talks between the two companies are under way. Sargent said he and McFaddin's chairman-chief executive, Lance McFaddin, have been "talking off and on for a while."

Such a deal, Sargent added, would give Studebaker's "a lot of muscle" and "help us grow a little faster." Studebaker's operates in 10 states, primarily in the Southwest.

If McFaddin were to acquire Studebaker's, it would add to its stable of restaurant-clubs one of the hottest concepts in the singles segment. Studebaker's uses a nostalgia theme keyed to 1950's and 1960's rock 'n' roll. McFaddin develops and operates Confetti, Todd's, Thrills, the Acapulco Bar, American Pie, Rodeo, Huarache's and Elan in Texas, Colorado, Tennessee, Georgia, Florida and California. Studebaker's oprates in 10 states.

Meanwhile, Studebaker's opened on May 6 its first In The Mood restaurant—a 1940's swing era-big band concept—in Clearwater, Fla. Another new concept, The Palm Beach Club, featuring a "con-

(See STUDEBAKER, page 179)



J. Stuart Sargent